

HOUSE BILL No. 1207

DIGEST OF INTRODUCED BILL

Citations Affected: IC 4-4-33-1; IC 4-4-34; IC 4-12-1; IC 6-2.5-10-1.

Synopsis: Energy assistance contingency fund. Creates the energy assistance contingency fund to be used for low income home energy assistance and efficiency measures. Appropriates heating energy sales tax revenue to the fund. Requires the lieutenant governor to administer the fund.

Effective: July 1, 2007.

Klinker, Micon, Grubb

January 11, 2007, read first time and referred to Committee on Family, Children and Human Affairs.

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Introduced

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1207

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-4-33-1, AS ADDED BY P.L.181-2006,
2 SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2007]: Sec. 1. The lieutenant governor shall administer the
4 following:

5 (1) The Housing Assistance Act of 1937 (42 U.S.C. 1437).

6 (2) Community services programs, including the Community
7 Services Block Grant under 42 U.S.C. 9901 et seq.

8 (3) Home energy assistance programs, including:

9 (A) the Low Income Home Energy Assistance Block Grant
10 under 42 U.S.C. 8621 et seq.; **and**

11 (B) **the energy assistance contingency fund under**
12 **IC 4-4-34.**

13 (4) Weatherization programs, including weatherization programs
14 and money received under 42 U.S.C. 6851 et seq.

15 (5) Food and nutrition programs, including food and nutrition
16 programs and money received under 7 U.S.C. 612, 7 U.S.C. 7501
17 et seq., and 42 U.S.C. 9922 et seq.

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(6) Migrant and farm worker programs and money under 20 U.S.C. 6391 et seq., 29 U.S.C. 49 et seq., and 42 U.S.C. 1397 et seq.

(7) Emergency shelter grant programs and money under 42 U.S.C. 11371 et seq.

(8) Shelter plus care programs and money under 42 U.S.C. 11403 et seq.

SECTION 2. IC 4-4-34 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 34. Energy Assistance Contingency Fund

Sec. 1. As used in this chapter, "dwelling" means an individual residence, including a manufactured home, a room, or a combination of rooms, with facilities for living for a single household.

Sec. 2. As used in this chapter, "eligible household" means a household whose income is at or below two hundred percent (200%) of the most recently determined poverty income guidelines established by the federal Office of Management and Budget, as revised periodically by the United States Secretary of Health and Human Services under 42 U.S.C. 9902(2).

Sec. 3. As used in this chapter, "fund" refers to the energy assistance contingency fund established by section 8 of this chapter.

Sec. 4. As used in this chapter, "home energy" means electricity, oil, gas, coal, propane, or any other fuel for use as the principal source of heating or cooling in residential dwellings located in Indiana.

Sec. 5. (a) As used in this chapter, "home energy efficiency measure" means a:

- (1) device;**
- (2) technology; or**
- (3) service;**

that is installed or used at the dwelling of an eligible household to reduce the amount of home energy consumed by the household for heating or cooling.

(b) The term includes materials used in building design or retrofitting.

Sec. 6. As used in this chapter, "household" means an individual or a group of individuals who live together as a single economic unit and who:

- (1) purchase home energy in common; or**
- (2) make undesignated payments for home energy in the form**

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Sec. 7. (a) As used in this chapter, "program administrator" means a party with whom the lieutenant governor contracts to administer the state's home energy assistance program in a particular community in Indiana.

(b) The term includes a community action agency (as defined in IC 12-14-23-2) that contracts with the lieutenant governor to administer the home energy assistance program in a community, as described in subsection (a).

Sec. 8. (a) The energy assistance contingency fund is established.

(b) The fund consists of:

- (1) money appropriated under IC 4-12-1-14.4;
- (2) any oil overcharge funds designated under section 12 of this chapter; and
- (3) money from any other source.

Sec. 9. The lieutenant governor shall administer the fund as part of the lieutenant governor's duty to administer home energy assistance programs under IC 4-4-33-1(3). Subject to sections 10(a) and 11(a) of this chapter, the lieutenant governor shall allocate money in the fund between:

- (1) low income home energy assistance; and
- (2) low income home energy efficiency measures.

Sec. 10. (a) Subject to subsection (b), the lieutenant governor shall allocate at least twenty-five percent (25%) of the fund to low income home energy efficiency measures.

(b) Except as provided in subsection (c), the lieutenant governor may not use more than ten percent (10%) of the allocation under subsection (a) for program administration. The lieutenant governor shall make available to program administrators at least fifty percent (50%) of the total amount allowed to be used for program administration under this subsection.

(c) Notwithstanding the limit of ten percent (10%) of the allocation under subsection (a) established for program administration by subsection (b), the lieutenant governor may provide an additional five percent (5%) of the allocation under subsection (a) to program administrators for program administration if the lieutenant governor determines that the additional amount is necessary to administer the program effectively.

Sec. 11. (a) Subject to subsection (b), the lieutenant governor shall allocate not more than seventy-five percent (75%) of the fund to low income home energy assistance.

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(b) The lieutenant governor shall make available not more than ten percent (10%) of the allocation under subsection (a) to program administrators for program administration.

(c) The lieutenant governor shall make available not more than five percent (5%) of the allocation under subsection (a) to program administrators for program support.

Sec. 12. (a) The lieutenant governor may deposit in the fund all or a part of the oil overcharge funds appropriated under IC 4-12-1-14.2 if the appropriation to the fund under IC 4-12-1-14.4 is delayed due to a delay by the department of state revenue in collecting the gross retail tax on heating energy sales.

(b) If the lieutenant governor makes a deposit under subsection (a), the lieutenant governor shall repay the deposited amount to the oil overcharge fund after the lieutenant governor receives the appropriation under IC 4-12-1-14.4.

Sec. 13. Money remaining in the fund at the end of a fiscal year does not revert to the state general fund.

Sec. 14. The lieutenant governor may adopt rules under IC 4-22-2 to implement this chapter.

SECTION 3. IC 4-12-1-14.2, AS AMENDED BY P.L.145-2006, SECTION 4, AND AS AMENDED BY P.L.181-2006, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14.2. Notwithstanding any other law, all oil overcharge funds received from the federal government are annually appropriated to the ~~division of family resources~~ lieutenant governor for the ~~division's~~ lieutenant governor's use in carrying out the state's home energy assistance program under IC 4-4-33-1(3). The amount of this annual appropriation for a state fiscal year is equal to:

(1) the total amount necessary to carry out the program during that fiscal year, including any amount needed to provide a temporary source of funding for the energy assistance contingency fund under IC 4-4-34-12; minus

(2) the amount of federal low income energy assistance funds available for the program during that state fiscal year.

SECTION 4. IC 4-12-1-14.4 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 14.4. (a) As used in this section, "baseline measure" means the amount determined in STEP FOUR of the following formula:

STEP ONE: Determine the total heating energy sales that were taxable under IC 6-2.5-2 for the period beginning July 1, 2003, and ending June 30, 2006, as determined by the

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department of state revenue.

STEP TWO: Divide the STEP ONE amount by three (3).

STEP THREE: Multiply the STEP TWO amount by six-hundredths (0.06).

STEP FOUR: Multiply the STEP THREE amount by forty-nine thousand one hundred ninety-two hundred-thousandths (0.49192).

(b) As used in this section, "heating energy sales" means all sales of electricity, oil, gas, coal, propane, or any other fuel for use as the principal source of heating or cooling in:

(1) residential dwellings;

(2) commercial buildings or facilities; and

(3) industrial buildings or facilities;

located in Indiana.

(c) Notwithstanding any other law, there is annually appropriated to the energy assistance contingency fund established by IC 4-4-34-8 an amount equal to:

(1) forty-nine and one hundred ninety-two thousandths percent (49.192%) of the state gross retail tax collected on heating energy sales during the preceding fiscal year as determined by the department of state revenue; minus

(2) the baseline measure.

SECTION 5. IC 6-2.5-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects.

(b) The department shall deposit those collections in the following manner:

(1) Fifty percent (50%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.

(2) Except as provided in subsection (c), forty-nine and one hundred ninety-two thousandths percent (49.192%) of the collections shall be paid into the state general fund.

(3) Six hundred thirty-five thousandths of one percent (0.635%) of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.

(4) Thirty-three thousandths of one percent (0.033%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(5) Fourteen-hundredths of one percent (0.14%) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

(c) The department shall transfer forty-nine and one hundred

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1 ninety-two thousandths percent (49.192%) of the state gross retail
2 taxes that are collected on heating energy sales (as defined in
3 IC 4-12-1-14.4(b)) to the auditor of state for distribution to the
4 energy assistance contingency fund established by IC 4-4-34-8. The
5 auditor of state shall hold all amounts transferred by the
6 department under this subsection and shall distribute the amount
7 determined under IC 4-12-1-14.4(c) to the energy assistance
8 contingency fund on or before June 30 of each year. On July 1 of
9 each year, the auditor of state shall transfer the remaining amount
10 to the department for deposit in the state general fund.

11 SECTION 6. [EFFECTIVE JULY 1, 2007] IC 4-12-1-14.4(c) and
12 IC 6-2.5-10-1(c), both as added by this act, apply to heating energy
13 sales (as defined in IC 4-12-1-14.4(b), as added by this act) that
14 take place after June 30, 2007.

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